

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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## MEMORANDUM

TO: Minuteman Regional Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: August 28, 2017

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on September 1 of each fiscal year. The schedule is effective in FY18 (since the amount under the prior schedule was maintained in FY18) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.50% to 7.40%.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



Alternative 1  
7.4% Investment Return  
8.0% Total Increasing to FY34  
Includes Mortality Load

**Minuteman Regional Retirement System  
January 1, 2017 Actuarial Valuation**

**Total appropriation increases 8% to FY34 with a final amortization payment in FY35**

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Amort. of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>% Increase Total Cost</u>
2018	171,008	28,992	200,000	1,843,730	
2019	178,703	71,297	250,000	1,949,394	25.0%
2020	186,745	83,255	270,000	2,017,976	8.0%
2021	195,148	96,452	291,600	2,078,941	8.0%
2022	203,930	110,970	314,900	2,130,411	8.0%
2023	213,107	126,993	340,100	2,170,281	8.0%
2024	222,697	144,603	367,300	2,196,094	8.0%
2025	232,718	163,982	396,700	2,205,126	8.0%
2026	243,190	185,210	428,400	2,194,258	8.0%
2027	254,134	208,566	462,700	2,160,056	8.0%
2028	265,570	234,130	499,700	2,098,532	8.0%
2029	277,520	262,180	539,700	2,005,323	8.0%
2030	290,009	292,891	582,900	1,875,446	8.0%
2031	303,059	326,441	629,500	1,703,361	8.0%
2032	316,697	363,203	679,900	1,482,933	8.0%
2033	330,948	403,352	734,300	1,207,174	8.0%
2034	345,841	447,159	793,000	868,397	8.0%
2035	361,404	463,501	824,905	458,054	4.0%
2036	377,667		377,667	0	-54.2%

Appropriation payments assumed to be made on September 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year

Assumed expenses of \$50,000

FY18 and FY19 amounts maintained at level of prior funding schedule